THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T. R. BAALU): (a) to (d) The report of "Strategic Planning Group" formed for restructuring of the National Oil Industry is being examined by the Government.

Capacity of Mangalore Refinery and Pctro-Chemicals Corporation

1367. SHRI AKHILESH DAS: Will the PRIME MINISTER be pleased to state:

(a) what is the present capacity of the Mangalore Refineries and Petrochemicals Corporation;

(b) whether there is any plan to increase the capacity; if so. to what extent;

(c) whether there is any proposal to place orders with the Joint Sector Refinery Companies; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PERTROLEUM & NATURAL GAS (SHRI T. R. BAALU): (a) to (d) The existing capacity of Mangalore Refineries & Petrochemicals (MRPL), a Joint Venture between HPCL and Indian Rayon & Industries Limited, is 3 MMTPA. Government on 21.11.96, has, however, approved expansion of its refining capcity from 3 MMTPA to 9 MMTPA.

Import and Sale Prices of Crude Oil

1368. SHRI RAMII LAL: Will the PRIME MINISTER be pleased to state:

(a) at what price the crude oil is being imported and sold by Government; and

(b) whether the import is made directly through the Government of the concerned country or it is imported through other channels?

THE MINISTER OF STATE IN THE MINISTRY OF PERTROLEUM & NATURAL GAS (SHRI T. R. BAALU): (a) and (b) IOC is canalising agency for import of crude oil. The crude oil imports are arranged by IOC through long terms contracts with National Oil Companies of various oil producing countries as approved by Government and also through issue of tender enquiries to the parties registered with IOC Import of crude oil is arranged at market related prices prevailing at the time of loading of respective cargoes. IOC gives this imported crude at its purchase price to the refineries in the country.

Extension of LPG Marketing to the Rural Areas

1369. SHRI AHMED PATEL: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that LPG marketing is being extended to rural areas, contiguous to the urban areas; and periodical surveys are being conducted to identify such rural areas; (b) if so,the details thereof;

(c) how many villages have been identified in Gujarat for extending LPG marketing facilities and how many villages.have actually been extended the facility, so far; and

(d) how many of such villages are likely to be covered during 1997-98?

THE MINISTER OF STATE IN THE MINISTRY OF PERTROLEUM & NATURAL GAS (SHRI T. R. BAALU): (a) and (b) Yes, Sir, As per the latest policy of the Government in order to extend LPG marketing to rural areas, all towns in the country with a population of 10000 and above, offering adequate potential for a commercially viable distributorship after considering the population of adjoining villages withing 15 kms radius, are to be included inthe Marketing Plan under preparation.

(c) and (d) LPG distributorships are at present opened in towns only. In order to extend the facility to the villages, Oil Industry has been advised to identify towns having a population of 10000 and above for opening of LPG distributorships, after consideration of the

potential of the adjoining villages within a radius of 15 kms. of the particular town as well as large rural complex around big villages having a population of 100011 and above and potential rural areas around large towns. Accordingly, 43 potential locations have been identified in Gujarat. Most of these locations would embrace the rural areas.

New Oil Exploration Licencing Policy

1370. SHRI RAMDAS AGARWAL:
SHRI AKHILESH DAS:
SHRIMATI JAYANTI PATNAIK:

Will the PRIME MINISTER be pleased to state:

(a) whether new oil exploration licencing policy, which souhgt to provide up-to-date information of areas to be explored, by maps to the investing companies, has been under consideration;

(b) whether the Prime Minister also hinted privatisation in the oil exploration sector, as reported in the Hindustan Times dated the 18th February, 1997;

(c) if so, what are the details thereof and whether the policy is likely to be placed before the Parliament during the Budget Session;

(d) whether any offer from investors have been received; and

(e) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PERTROLEUM & NATURAL GAS (SHRI T. R. BAALU): (a) to (c) Government has recently announced a new exploration licencing policy for the oil and gas sector. The salient features of this Policy are:—

— Open availability of exploration acreages in addition to existing bidding rounds.

— ONGC and OIL to compete for obtaining exploration licences with other Pvt. Sector Companies.

—ONGC and OIL to be provided a level playing field by providing the same fiscal and contract terms as available for private companies

—Special fiscal package to encourage exploration in deep water and frontier areas.

—Freedom to contractors for marketing of crude oil and gas in the domestic market.

—Excmpiinn from payment of petroleum exploration licences fee/ area rentals.

—No compulsory state participation through ONGC and OIL.

(d) No. Sir. The policy has just been announced.

(c) Does not arise.

Irregularities in the Tenders of Oil Companies

1371. SHRI PARMESHWAR KUMAR AGARWALLA: Will the PRIME MINISTER be pleased to state:

(a) whether Government's attention has been drawn to the newsitem which appeared in the Hindustan Times dated the 21st Decemer, 1996 under the caption "No level-playing fied for national oil firms: CAG";

(b) if so, what are the details regarding various allegations, particularly regarding lack of proper tender evaluation, not reading the bids in the presence of bidders, non-disclosure of highest share of project NPV to Government, evaluation of bids on lowest of estimates, production sharing, reimbursement of cost, and Government's reaction in the matter; and

(c) what action has been taken after submission of CAG report, including against the personnel involved?

THE MINISTER OF STATE IN THE MINISTRY OF PERTROLEUM & NATURAL GAS (SHRI T. R. BAALU): (a) The newsitem "No level playing field for national oil firms: CAG" appeared in the Economic Times dt. 21.12.96.

(b) and (c) CAG in their final report No. 5 (Commcrical) of 1996 on